The

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of

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Candice S. Miller, Secretary of State

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Warranties on repairs: If you offer them, what are the rules?

The Motor Vehicle Service and Repair Act does not require a facility to offer a warranty on repair work. As a good customer relations measure, many facilities do offer warranties on their work. If your facility decides to offer a warranty on repairs, the warranty must comply with several conditions.

First, your warranty must be given to the customer in writing. It must clearly state what is warranted and for how long; who will honor the warranty; obligations, if any, of the customer; and any exceptions or exclusions.

For example, the warranty should state whether it is for parts, labor, or both. If the customer must return to your facility for warranty service, this must be stated. If the warranty can be voided through some action by the customer (such as certain kinds of driving or having the vehicle serviced elsewhere), this must be stated.

If the customer cannot use the vehicle because of a warranted problem, you must extend the period of the warranty to compensate for the time the customer could not use the vehicle. Here is an example:

Engine repairs are performed on a customer's vehicle and the work is warranted for six months. If the engine fails again and you agree to repair it under warranty, and the vehicle is in your shop for 15 days (meaning the customer cannot use it), you must extend the original warranty for 15

days beyond the day it would have expired.

If you replace a part under warranty, you must use a part of equal or better quality. You cannot honor the warranty on a new part by replacing it with a used, rebuilt, or remanufactured part.

New parts installed and warranted must be replaced by new parts if they fail and are covered by warranty.

Likewise, rebuilt or reconditioned parts cannot be replaced under warranty by used parts that have not been rebuilt or reconditioned.

You must honor a warranty except for legitimate reasons specifically stated in the warranty. For example, if you do not wish to honor a warranty because the customer has abused the vehicle, there must be specific language in the warranty that says this sort of misuse disqualifies the vehicle from warranty coverage.

Automotive and light truck test updated

The new Automobile and Light Truck Electrical Systems test is now available to meet the 2004 recertification requirement.

Mechanic tests are available at select Secretary of State offices. Contact BAR at (517) 373-9460 for a testing location near you, or visit the BAR web site at:

www.michigan.gov/sos

for a complete list.

Court decision emphasizes importance of full disclosure of repair costs

A recent district court decision may be of interest to you and your staff.

A Bureau of Automotive Regulation investigator recently testified in 45th District Court in Oak Park regarding disputed repair costs. In the case, the repair facility diagnosed a defective timing belt on a 1988 Honda Accord. Authorization to replace the timing belt was received and the repairs were completed for \$650.

After the replacement of the belt, the technician realized the valves were also damaged and repairs would cost \$1,700. The complainant filed suit because she felt that she was misinformed by the facility when she was led to believe her car would be repaired for \$650.

If she had been informed of the possibility that additional engine damage could have been caused when the belt broke, she may not have made the decision to have repairs done. The consumer was willing to

spend \$650 to repair her 1988 model vehicle, but not \$1,700.

Since the facility did not discuss the possibility that additional repairs and charges could be incurred, the judge found that the facility was negligent.

The judge warned the facility that it must always disclose all costs or possible costs ahead of time to the best of its ability. The facility was ordered to give the customer a full refund plus \$200 in damages, and also was ordered to pay \$100 to the State of Michigan for witness fees. The vehicle was never repaired as the customer felt the cost would exceed the value of the vehicle.

When a vehicle is an older model and the cost or potential cost of repairs near the vehicle's value, facilities have an obligation to communicate any probable expenses to the consumer.

The facility in this court case should have known, or had the aptitude to find out, that the engine in the Accord was an interference engine.

Frequently asked questions from the Internet

- Q. How do I file a complaint against a repair facility, mechanic, or vehicle dealer?
- A. Consumers have three options to file a complaint with BAR. They can:
 - 1. File a complaint on-line at www.michigan.gov/sos
 - Download a Consumer's Automotive Information & Complaint Kit from www.sos.state.mi.us/bar/pdf/brochures/sos-197.pdf, then complete the form and mail or fax it to BAR.
 - 3. Contact BAR through our toll-free Complaint & Information Line at 1-800-292-4204 and request that a complaint kit be mailed to you.
- Q. Where do I find information on how to become a certified mechanic in Michigan?
- A. There are two ways to get information on becoming a certified mechanic:
 - 1. Browse the Internet at www.sos.state.mi.us/bar/mechanic/fagm.html
 - 2. Telephone the Licensing Section at (517) 373-9460.
- Q. Where do I find mechanic study guide information?
- A. The mechanic study guide is on BAR's web site at www.sos.state.mi.us/ bar/mechanic/study.html or may be obtained by telephoning the Licensing Section.

BAR bids farewell to division director Fred Pirochta

On January 5, 2001, the Bureau of Automotive Regulation bid farewell to Fred Pirochta as he retired from state government. As Repair Facility Division and Complaint Resolution and

Investigation
Division Director
since 1978, many
repair facility
owners, managers,
and technicians
became
acquainted with



Fred Pirochta

Pirochta over the years.

As the Repair Facility Division
Director, Pirochta was instrumental in
implementing and administering the
Motor Vehicle Service and Repair Act.
Pirochta began his career in the
automotive repair business before
joining BAR.

Kirk Ferris has taken over Pirochta's duties as Complaint Resolution and Investigation Division Director.

New facility owners need original registration

If you buy an existing repair shop or open a new one, you must file an application for an original repair facility registration. You **cannot** legally operate under a registration issued to a previous owner. A repair facility registration is transferable to another address if the ownership of the business remains the same. If you need a registration application or want to change your business address, call BAR's Licensing Section.

Abandoned vehicles: Direct all inquiries to law enforcement

BAR personnel are frequently asked what to do with a vehicle that has been abandoned at a shop, and no repairs have been performed. The local police, whether on public or private property, handle abandoned vehicles. Direct all inquiries to your local police agency.

A vehicle is considered abandoned on public or private property 48 hours after a police agency has attached a written notice to the vehicle. Before attaching the notice, the police check to see if the vehicle is reported as stolen. The notice contains the date and time; the police agency and officer; the year, make, and VIN; and when the vehicle can be taken into custody.

When the vehicle is taken into custody, the police recheck to see if the vehicle was reported as stolen and, within 24 hours, report it as abandoned on the Law Enforcement Information Network (LEIN). Then the police notify the owner and the lienholder within seven days.

If repairs have been performed on the vehicle, placing a lien under the Garage Keeper Lien Act should be pursued. Current language in the Garage Keeper Lien Act requires timely filing by a shop owner. Don't postpone filing for a lien if you have not been paid for repairs performed. For further details, contact the Michigan Department of State, Office of Customer Services/OSRS, at (517) 322-1473.

2000 legislation affects repair facilities and mechanics

Public Act No. 366 of the Public Acts of 2000 (effective Jan. 2, 2001):

This new law expanded the list of mechanic major repair categories to include a new category: **Pre-1973 Vehicles**.

This certification category is designed for the individual engaged, for compensation, exclusively in the repair of motor vehicles manufactured before 1973, or in the reconditioning, replacement, adjustment, or alteration of the operating condition of any component or subassembly of a motor vehicle manufactured before 1973. Mechanics currently certified in other appropriate categories may also work on pre-1973 vehicles.

BAR's certification examination for this new category has been developed and is comprised of 100 multiple choice questions covering these categories: Engine Repair; Automatic Transmission; Manual Transmission and Drive Axle; Front End, Suspension and Steering; Brakes and Braking Systems; Engine Tune-Up/Performance; Heating and Air Conditioning; and Electrical Systems.

PLEASE NOTE: The addition of the Pre-1973 Vehicles "specialty category" will **not** reinstate an individual's "Master" status, nor does it contribute to "Master" status or upgrade a currently expired recertification category. This Pre-1973 repair category is **not** necessary for a Master Mechanic certificate.

Further information regarding the availability of this new mechanic test is now available on the toll-free mechanic hotline at (888) 297-1324.

Public Act No. 217 of the Public Acts of 2000 (effective Oct. 1, 2000):

It is now a felony for a person to buy, receive, or obtain control of a motor vehicle or motor vehicle part, knowing the identification number has been removed, obliterated, tampered with, or altered.

It is also a felony to knowingly possess, buy, deliver, or offer to buy, sell, exchange, or give away any manufacturers' VIN plate, federal safety certification label, anti-theft label, posident die stamp, rosette rivet, Secretary of State VIN label, or any copies of these items.

New on the BAR Internet web site

Licensed vehicle dealerships and registered repair facilities.

BAR is now offering an easy avenue for consumers and business owners to verify whether a repair facility or dealer is properly licensed.

The licensee lists indicate only currently registered repair facilities or licensed motor vehicle dealers. Licensees are listed by county in alphabetical order. These licensee lists are updated on a monthly basis.

Ignition interlock devices.

There are two businesses presently authorized to provide ignition interlock devices to Michigan drivers. For information about filing a complaint against a manufacturer or to obtain additional information regarding their toll-free telephone numbers, cost, location of service centers, and to schedule installation, visit our Ignition Interlock Device web page.

BAR forms. BAR is now offering a variety of forms for consumers and businesses who conduct business with BAR. Business customers and consumers may print, complete, and return forms to BAR by fax or mail. Links to the forms web page are available from each section page: Consumer Info, Dealer Info, Mechanic Info, and Repair Facility Info.

Repair Program Section disciplinary actions

Since the last issue of *The B.A.R.*News, the bureau has taken disciplinary actions resulting in **six** repair facilities entering into probation agreements, **seven** mechanic licenses being suspended, and **three** mechanics entering into probation agreements.

Repair Shop Actions

The following repair facilities, charged with violations of the law, were given penalties as noted:

J P Towing & Auto Repair (F138736), 350 S. Saginaw, Pontiac, 18-month probation, \$1,400 penalty, \$633 restitution to consumer.

Charges: improper invoice (2 counts), performed repairs without properly certified mechanic.

Lee's All Automotive, Inc. (F125064), 2607 E. Grand River, Howell, 24-month probation, \$5,175 penalty, \$5,157 restitution to consumer. Charges: charged for repairs not performed, performed repairs without properly certified mechanic, performed unauthorized repairs or exceeded estimate without consumer authorization, improper invoice.

Southfield Auto Body (Applicant), 21460 W. 8 Mile Road, Southfield, 24-month probation, pending application processed. **Charges:** charged for repairs not performed.

A & J Transmission, Inc.

(F151652), 701 E. South Street, Lansing, 24-month probation, pending application processed, maintain escrow account for purpose of refunding deposits to consumers for delayed repairs, designate customer service representative to promptly handle all complaints. **Charges:** failed to honor expressed warranties. Daysman, Inc. d/b/a American Transmission of Troy (F145844), 3953 Rochester, Troy, 24-month probation, \$1,776 reimbursement to State for investigative costs, \$2,511 restitution to consumers, \$5,000 penalty if probation is violated. Charges: falsely represented that repairs were necessary, barred consumer from reclaiming replaced part, continuing in operation without renewal of registration, improper invoice.

Longway Body Shop, Inc. (F140750), 2926 Robert T. Longway, Flint, 24-month probation, \$1,300 penalty, \$3,554 restitution to consumer. **Charges:** charged for repairs not performed.

During the same period, 22 repair facilities signed Assurances of Discontinuance.

Mechanic Actions

The following mechanics, charged with violations of the law, were given penalties as noted:

Dyke S. Andrews (M210371), 3350 Collingwood, Detroit, 24-month probation, \$200 penalty. **Charges:** convicted of receiving and concealing stolen property in excess of \$100.

John C. McCullough (M195669), 369 Allen Road, Kalkaska, suspension of mechanic license until Rescission Order received from court. Charges: non-compliance with the Support and Parenting Time Enforcement Act.

Tracey A. Carroll (M226496), 4121 Grand Blanc Road, Swartz Creek, suspension of mechanic license until Rescission Order received from court. Charges: non-compliance with the Support and Parenting Time Enforcement Act.

Barry D. Bryan (M152299), 3953 Rochester Road, Troy, 24-month probation, \$220 penalty. **Charges:** falsely represented that repairs were necessary.

Joseph M. Minarik (M196004), 3947 N. M-52, Owosso, 24-month probation, \$100 penalty. Charges: departed from, or disregarded in any material respect, accepted motor vehicle repair industry standards.

Terry A. Rogers (M190952), 713 E. M-30, Gladwin, suspension of mechanic license until Rescission Order received from court. **Charges:** non-compliance with the Support and Parenting Time Enforcement Act.

Shawn B. Howland (M215537), 2545 Croton Drive, Newaygo, suspension of mechanic license until Rescission Order received from court. Charges: non-compliance with the Support and Parenting Time Enforcement Act.

Gary L. Mader, Jr. (M234193), 8124 Wissmiller Road, South Branch, suspension of mechanic license until Rescission Order received from court. Charges: non-compliance with the Support and Parenting Time Enforcement Act.

Burdgess R. Obney (M212539), 935 Baraga NE, Grand Rapids, suspension of mechanic license until Rescission Order received from court. Charges: non-compliance with the Support and Parenting Time Enforcement Act.

Allen L. Felzke (M219123), 8275 W. Kinsel Highway, Vermontville, suspension of mechanic license until Rescission Order received from court. Charges: non-compliance with the Support and Parenting Time Enforcement Act.

During the same period, 11 mechanics signed Assurances of Discontinuance.

Facilities must give notice to customers about return of parts

A repair facility is required to give every customer notice of the right to the return of parts replaced in the repair of the customer's vehicle. This right applies even in the case where there is a core charge or an insurance company is paying for repairs.

If the customer does not immediately reclaim the part(s) and does not authorize the facility to dispose of them, the facility must hold the parts for two business days following the release of the vehicle.

If there is a core charge for a part and the customer agrees to pay the core charge, the facility must return the part to the customer. In those cases where the customer chooses not to pay the core charge, the customer is entitled to inspect the replaced part(s).

Notice of the parts return right may be given to customers in one of three ways:

- 1. By a sign displayed in the facility with lettering not less than one inch high.
- 2. On the face of a contract form, work order form, or other document in bold face capital letters of not less than 12-point type and not less than 4 points larger than the principal type size of the master document.
- 3. Given by a separate document in bold face capital letters of not less than 12-point type size.

The required language is:

Parts Return

You are entitled by law to the return of all parts replaced, except those which are too heavy or large, and those required to be sent back to the manufacturer or distributor because of warranty work or an exchange agreement. You are entitled to inspect the parts that cannot be returned to you.

Moving or changing name? Give BAR notice

If a repair facility's business address has changed, the facility owner must write, fax, or e-mail notice of the address change to BAR's Licensing Section.

The mailing address is: Michigan Department of State, Bureau of Automotive Regulation, Licensing Section, Lansing, MI 48918-1210. The fax number is: (517) 335-2810, and the e-mail address is:

licensing@michigan.gov

When a repair facility changes its name, the owner must write, fax or e-mail notice of the new name to the Licensing Section.

Mechanics must also notify BAR of address changes. When an address is changed on a driver license at the Secretary of State branch office, it does not change the address on a mechanic certificate.

Mechanics may change their address by contacting the Licensing Section at (517) 373-9460, or in writing, by fax, or by e-mail as indicated above.

Sublet repairs must have written estimates

BAR often gets questions from repair facilities regarding the need for written estimates in sublet transactions. The problem arises when a shop is not equipped to handle a repair necessary to complete a job (for example, frame straightening or air conditioning) and must sublet the repair to another shop.

If the sublet repair was not included in the original written estimate, the consumer's approval must be obtained before the sublet repairs may be performed.

A sublet shop must comply with the basic provisions of the law and provide written estimates, invoices, return of replaced parts, etc., to the facility contracting for repairs. When you perform sublet repairs, be sure to treat the other facility as you would any individual customer.

The contracting shop must include all information, such as the repairs performed, description of the parts used, mechanic information, etc., on the final invoice given to the consumer.

Ask BAR a question

Do you have questions you would like to have answered relating to the Motor Vehicle Service and Repair Act or BAR? You can share your questions in future editions of *The B.A.R. News*.

Please submit your questions in writing to Michigan Department of State, Bureau of Automotive Regulation, *The B.A.R. News*, Lansing, MI 48918 or submit them via e-mail to: repair@michigan.gov

Please include your name, address, and telephone number if you would like a response prior to the next edition of *The B.A.R. News*.

Replacing or repairing an odometer

If an odometer is being repaired or replaced and the actual odometer reading is known, the new or repaired odometer may be adjusted to register the actual mileage. No door frame sticker is required under such circumstances.

When repairing or replacing an odometer which is incapable of registering the same mileage as before the repair or replacement, the odometer must be set to zero. A notice is then attached to the left front door frame specifying the odometer reading before the repair or replacement and the date it was done. Thereafter, the vehicle must be sold with the mileage brand listed as "not actual."

Door frame stickers for odometer repair and replacement are usually provided with the replacement odometer. The sticker also may be obtained from business forms suppliers or printing companies specializing in dealer forms and supplies.

Repair reference manuals available

Mechanics are responsible for performing all repairs according to "industry standards." For example, industry standards include torque specifications when installing intake manifold bolts, as well as torquing the bolts in the proper pattern.

Specific specifications are difficult to remember when repairing a variety of vehicle models. Current repair manuals, either paper or electronic, are as essential in repairing a vehicle properly as the actual tools a mechanic uses. Reference manuals are available from these and other organizations:

Alldata LLC 9412 Big Horn Blvd. Elk Grove, CA 95758 (800) 829-8727 www.alldata.com

Automotive Service Association P.O. Box 929 Bedford, TX 76095-0929 (800) 272-7467 www.asashop.org

Automotive Service Councils of Michigan 744 Wing Street Plymouth, MI 48170 (734) 354-9250 www.ascmich.com Helm, Inc. (800) 782-4356 www.helminc.com

Mitchell International 14145 Danielson Street Poway, CA 92064 (888) 724-6742 www.mitchellrepair.com

Motor Publications (800) 4A-MOTOR or 426-6867 www.motor.com

Service Technicians Society 400 Commonwealth Dr. Warrendale, PA 15096-0001 (800) 787-9596

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